LICENCED COMPANY SECRETARIES

ANNOUNCEMENT IMPLEMENTATION ON CONTINUING PROFESSIONAL EDUCATION (CPE) POINTS SCHEME AND NEW CONDITIONS FOR LICENCED COMPANY SECRETARIES

We refer to the above matter.

2. The Companies Commission of Malaysia (SSM) wishes to officially announce the implementation on ‘Continuing Professional Education (CPE) Point’ and New Conditions for Licensed Company Secretaries. The new conditions for licensed company secretaries will be officially operational with effect from the 04 January 2010.

2. The implementation involves changes on the conditions for license to ensure high level of efficiency and competency by company secretaries in upholding their professionalism and duty to adhere to section 139B(3) of the Companies Act 1965 CA 1965. (Please refer to the attached copy of the Guidelines and FAQ).
3. The new conditions for company secretary license are as follows:

a. Company secretaries who have been accepted as members of professional bodies or any other bodies which has for the time being been prescribed by the Minister by notification published in the Gazette under section 139A(a) CA 1965, to notify the Registrar of Companies and the company secretary license is to be returned immediately to SSM for cancellation;

b. Company secretary license shall always be kept at the address as stated in the license and the license holder is required to notify SSM within 30 days of any changes in his address, telephone number, fax and e-mail address;

c. The license holder shall always enhance his knowledge and quality of service by attending courses/seminars on company secretarial practice, corporate affairs, company law and Licensed Secretary Training Programme (LSTP) organized by SSM and other courses offered by professional bodies with a minimum total attendance of sixty (60) credit hours within three (3) years effective from the issuance of the license.

d. The license holder shall submit a copy of the certificate for courses/seminars attended by them when submitting Form 48C for renewal of the license; and
e. Licensed company secretaries shall practice as company secretary within six (6) months from the date of the issuance of the license and notify SSM the email address.

4. The application for renewal of license will not be considered if a company secretary fails to comply with the above conditions.

Thank You.

"TOWARD SSM EXCELLENCE"

Yours faithfully,

MUHAMMAD REDZUAN BIN ABDULLAH
Senior Director
for and on behalf of the Chief Executive Officer
GUIDELINES ON THE IMPLEMENTATION OF CONTINUING PROFESSIONAL EDUCATION (CPE) REQUIREMENT AS AN ADDITIONAL CONDITION FOR LICENSED COMPANY SECRETARIES

1. Licensed company secretaries are required to attend requisite courses/seminars pertaining to the secretarial profession i.e corporate affairs, company law, accounting, finance and other relevant programmes organized by COMTRAC or courses/seminar organized by prescribed bodies or other organizations with a minimum of 60 CPE points within three (3) years before the renewal of their license. This requirement has been included in the new license conditions effective from 04 January 2010.

2. The application must be made not later than 30 days before the expiry of the license by lodging Form 48C together with a fee and attachment of courses/seminars attendance certificates.

3. The composition of 60 CPE points are made up as below:

   (i) Minimum of 40% or 24 CPE points for attending courses organized by COMTRAC or COMTRACT jointly organized with external parties; and

   (ii) Maximum of 60% or 36 CPE points for attending courses organized by Prescribed bodies or other organizations.

4. The Licensed Secretaries Training Programme (LSTP) organized by COMTRAC is a mandatory course that is required to be attended once (1) for all three (3) levels for the first renewal after implementation. Attending the LSTP programme will entitle participants to 24 CPE points (40%).
5. Since 1.1.2013, the LSTP is known as Company Secretaries Training Programme (CSTP) Essential. With effect from 1.1.2014, all licensed secretaries are prohibited from attending the CSTP Essential more than once in each renewal (within 3-year cycle).

6. The calculation of SSM’s CPE Points are as below:

(i) For license which expires in 2010, company secretaries will be exempted from SSM CPE points requirement. They are however encouraged to attend the relevant courses/seminars.

(ii) For license which expires in 2011, company secretaries will be required to attend courses/seminars, to earn a minimum of 20 CPE points.

( note : A maximum of 20 excess CPE points accumulated during the period 2011 are allowed to be carried forward to the next renewal)

(iii) For license which expires in 2012, company secretaries will be required to attend courses/seminars, to earn a minimum of 40 CPE points;

( note : A maximum of 20 excess CPE points accumulated during the period 2011 to 2012 are allowed to be carried forward to the next renewal)

(iv) For license which expires in 2013, company secretaries will be required to attend courses/seminars, to earn a minimum of 60 CPE points;
(note: A maximum of 20 excess CPE points accumulated during the period 2011 to 2013 are allowed to be carried forward to the next renewal)

7. All licensed company secretaries are required to satisfy a minimum of 60 CPE points for every rolling three years renewal period. Each licenced company secretary is allowed to carry forward a maximum of 20 excess CPE points to the next renewal.

8. Renewal will only be considered for those complying with the SSM’s CPE Points requirements; and the license will be revoked if the licensed company secretaries failed to comply with the licensing condition.

Issued by
Compliance Division

This guideline will supersede the guideline issued on 4 January 2012
(Updated: Mac 2013)
THE IMPLEMENTATION OF MANDATORY CONTINUING PROFESSIONAL EDUCATION (CPE) REQUIREMENTS FOR LICENSED COMPANY SECRETARIES WITH EFFECT FROM 4 JANUARY 2010

1. What is the purpose of CPE for licensed company secretary?

The purpose is to ensure licensed company secretaries possess / attain a high level of skills and competency in discharging their duties. The requirement of mandatory CPE is an additional licensing condition.

2. How will CPE benefits me?

(i) Improving and extending professional knowledge, technical know-how, skills and competence of the company secretaries.

(ii) Enhancing the standard of professionalism and corporate governance amongst the company secretaries.

(iii) Assisting the company secretaries in keeping abreast with the latest development of the Companies Act 1965.

(iv) Raising and upgrading the ability of company secretaries in applying technical knowledge and skills in meeting the needs of business communities.

3. What is SSM Continuing Professional Education (SSM CPE) points?

SSM CPE points are collected from courses or seminars conducted by Companies Commission of Malaysia Training Academy (COMTRAC), courses or seminars jointly organized by COMTRAC with external parties or/and solely conducted by Prescribed Bodies or other organizations.
4. When is the SSM CPE requirement made mandatory?

It was made mandatory on 4 January 2010

5. What courses/seminars accorded with CPE points?

Courses/seminars that are related to Company Secretarial Practice, Corporate Affairs, Company Law, Accountancy, Finance or other courses that are relevant to the work of company secretaries.

It is mandatory for license secretary to attend all three levels of Licensed Secretaries Training Programme (LSTP) organized by COMTRAC once; for their first renewal of license after the implementation of SSM CPE requirements.

6. How many SSM CPE points do I need to collect for each renewal of a license?

All license secretaries are required to satisfy a minimum of 60 CPE points over for every rolling three years renewal period. The composition of 60 CPE points are to be made up as follows:

(i) Minimum of 40% or 24 CPE points from attending courses organized by COMTRAC or jointly organized by COMTRAC with external parties; and

(ii) Maximum of 60% or 36 CPE points from attending courses organized by Prescribed Bodies or other organizations.

7. What is the definition of "external parties"?

Any organizations other than SSM.
8. **What is the definition of “Prescribed Bodies” ?**

The Prescribed Bodies are the bodies that have been prescribed by the Minister through notification published in the gazette under section 139A(a), Companies Act 1965. For the time being the prescribed bodies that have been given such prescribed status are as follow:

(i) The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA);

(ii) The Malaysian Institute of Accountants (MIA);

(iii) The Malaysian Bar;

(iv) The Malaysian Institute of Certified Public Accountants (MICPA);

(v) The Sabah Law Association;

(vi) The Advocates’ Association of Sarawak; and


9. **What is the definition of “other organizations” ?**

Any organizations other than SSM or Prescribed Bodies

10. **How many CPE points are required when my license expiry date is less than 3 years from the implementation of SSM CPE requirement?**

(i) For license which expires in 2010, license secretaries are exempted from CPE points requirement. They are however encouraged to attend the relevant courses/seminars.
(ii) For license which expires in 2011, license secretaries are required to attend courses/seminars to earn a minimum of 20 CPE points.

(Note: A maximum of 20 excess CPE points accumulated during the period 2011 are allowed to be carried forward to the next renewal cycle.)

(iii) For license which expires in 2012, license secretaries are required to attend courses/seminars to earn a minimum of 40 CPE points.

(Note: A maximum of 20 excess CPE points accumulated in the period 2011 to 2012 are allowed to be carried forward for the next renewal cycle.)

(iv) For the license which expires in 2013 and after, license secretaries are required to attend courses/seminars to earn a minimum of 60 CPE points.

(Note: A maximum of 20 excess CPE points accumulated in the period 2011 to 2013 are allowed to be carried forward to the next renewal cycle.)

The CPE points will be calculated based on the points awarded to courses/seminars attended. However SSM reserves the right to decide on the accreditation of CPE points awarded for the courses/seminars organized by Prescribed Bodies and other organizations. SSM will award 8 CPE points for one-day course/seminar organized by Prescribed Bodies and other organizations.

11. **Can I attend courses/seminars organized by COMTRAC without attending courses/seminars organized by other organizations?**

Yes, you can attend courses/seminars organized by COMTRAC to earn all the required CPE points.
12. Can I attend courses/seminars organized by Prescribed Bodies or other organizations to earn the CPE points without attending the courses/seminars organized by COMTRAC?

You may collect to a maximum of 60% or 36 CPE points from courses/seminars organized by Prescribed Bodies or other organizations.

13. Can the CPE points of courses/seminars organized by my company be considered?

Yes. You may collect to a maximum of 60% or 36 CPE points from courses/seminars organized by Prescribed Bodies or other organizations.

14. If I have earned more than the required CPE points for a particular CPE cycle, can the excess CPE points be carried forward to the next CPE cycle?

Yes, for each renewal cycle, a licensed secretary is allowed to carry forward a maximum of 20 excess CPE points.

15. What happens if licensed secretaries fail to meet CPE obligations?

Their applications for renewal of license will not be considered under section 139B(3), Companies Act 1965.

16. How does SSM check on the courses/seminars which I have attended?

The application for renewal of the secretary’s license shall be made not later than 30 days before the expiry date. The application is made by lodging Form 48C with attachment of the certificates of courses/seminars; and a prescribed fee. This application for renewal can also be made via SSM’s e-Lodgment.
17. Where can I find courses / seminars offered by COMTRAC?

Visit SSM’s website at www.ssm.com.my or send email to comtrac@ssm.com.my.

18. If I conduct training or I am a lecturer in the field of corporate affairs, can I be exempted from the SSM CPE requirements?

The Registrar of Companies may consider your request based on the following criteria:

(i) The applicant has no adverse record of any offence/misconduct under the Companies Act 1965; and

(ii) The applicant is able to produce documentary evidence to support his application. In such case, a written application is required to be submitted to the Registrar of Companies at least 3 months before the expiry of the license.

19. I have attended LSTP before the implementation of SSM CPE on 4 January 2010. Can the CPE points be submitted for the renewal of my license?

Yes, because it is mandatory to attend once for all the three (3) levels of LSTP.

20. I have attended courses/seminars on corporate affairs before the implementation of the SSM CPE on 4 January 2010. Can the CPE points be submitted for the renewal of my license?

No, only the CPE points from LSTP are accepted.

21. When is LSTP changed the name to Companies Secretaries Training Programme (CSTP) Essential?

Since 1.1.2013, LSTP is known as CSTP Essential.
22. Can I attend CSTP Essential (formerly known as LSTP) more than once in each renewal (within 3-year cycle)?

With effect from 1.1.2014 you are allowed to attend once only in each renewal (within 3-year cycle).

23. I come from a rural area. Do I have to comply with the SSM CPE requirement?

Yes, you have to comply with the SSM CPE’s requirement.

24. If I have any enquiries on SSM CPE requirements whom should I contact?

You may contact SSM Corporate Intermediary Section:

Fax : 603-22995336 or 5335
Email : khtoh@ssm.com.my or mahanum@ssm.com.my or roslaili@ssm.com.my

Issued By:
Compliance Division

This FAQs will supersede the FAQs issued on 4 January 2010.
(Updated: March 2013)